

LIQ03

Notice of progress report in voluntary winding up



For further information, please refer to our guidance at www.gov.uk/companieshouse

1 Company details

Company number	0 7 4 4 6 7 4 9
Company name in full	07446749 Ltd formerly Blippar.com Ltd

→ **Filling in this form**
Please complete in typescript or in bold black capitals.

2 Liquidator's name

Full forename(s)	Paul
Surname	Appleton

3 Liquidator's address

Building name/number	26 - 28 Bedford Row
Street	
Post town	London
County/Region	
Postcode	W C 1 R 4 H E
Country	

4 Liquidator's name ①

Full forename(s)	Paul
Surname	Cooper

① **Other liquidator**
Use this section to tell us about another liquidator.

5 Liquidator's address ②

Building name/number	26 - 28 Bedford Row
Street	
Post town	London
County/Region	
Postcode	W C 1 R 4 H E
Country	

② **Other liquidator**
Use this section to tell us about another liquidator.

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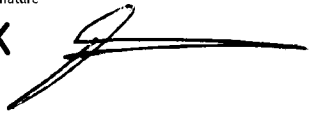
6 Period of progress report

From date	^d 1	^d 2	^m 1	^m 1	^y 2	^y 0	^y 1	^y 9	
To date	^d 1	^d 1	^m 1	^m 1	^y 2	^y 0	^y 2	^y 0	

7 Progress report

<input checked="" type="checkbox"/> The progress report is attached	
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8 Sign and date

Liquidator's signature	Signature X 	X							
Signature date	^d 0	^d 1	^m 1	^m 2	^y 2	^y 0	^y 2	^y 0	

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Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name Adam Shama

Company name David Rubin & Partners

Address

26 - 28 Bedford Row

Post town London

County/Region

Postcode

W C 1 R 4 H E

Country

DX London/Chancery Lane

Telephone

020 7400 7900



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- The company name and number match the information held on the public Register.
- You have attached the required documents.
- You have signed the form.



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

IN THE MATTER OF

07446749 LTD FORMERLY BLIPPAR.COM LTD - IN LIQUIDATION
(FORMERLY IN ADMINISTRATION)

AND

THE INSOLVENCY ACT 1986

THE **JOINT LIQUIDATORS'** FIRST ANNUAL PROGRESS REPORT
PURSUANT TO SECTION 104A OF THE INSOLVENCY ACT 1986

AND

PART 18 OF THE INSOLVENCY (ENGLAND AND WALES) RULES 2016
FOR THE YEAR ENDED 11 NOVEMBER 2020

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- A. Receipts and Payments Account from 12 November 2019 to 11 November 2020
- B. Time Analysis for the period from 12 November 2019 to 11 November 2020

07446749 LTD FORMERLY BLIPPAR.COM LTD - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

(a) Introduction

Paul Cooper and I, Paul Appleton, both of David Rubin & Partners, 26 - 28 Bedford Row, London, WC1R 4HE were appointed Joint Administrators of 07446749 Ltd formerly Blippar.com Ltd (“the Company”) on 17 December 2018. The appointment was made by the Directors pursuant to Paragraph 22 of Schedule B1 to the Insolvency Act 1986 (“the Act”).

The Company was subsequently converted to a Creditors’ Voluntary Liquidation with effect from 12 November 2019 and we were appointed as Joint Liquidators.

This Report provides an update on the progress in the Liquidation pursuant to Section 104A of the Insolvency Act 1986 for the year ended 11 November 2020.

Rule 18.3: Progress Report

(b) Statutory information

Company name: 07446749 Ltd formerly Blippar.com Ltd
Registered office: 26-28 Bedford Row, London, WC1R 4HE
Company number: 07446749
Trading name: Blippar
Trading address: 5th Floor, 1 London Bridge, London SE1 9BG

(c) **Joint Liquidators’ names and address**

Paul Appleton (Office Holder No: 8883) and Paul Cooper (Office Holder No: 15452) of David Rubin & Partners (“DRP”), 26 - 28 Bedford Row, London WC1R 4HE were appointed Joint Liquidators of the Company on 12 November 2019.

(d) Any changes in the Office Holders

There has been no change in the Office Holders since the original appointment date.

(e) Details of progress during the period and summary account of Receipts and Payments under review:

A Receipts and Payments Account is attached at Appendix A, which is further explained below.

1. Receipts

1.1 Cash from Administration

The sum of £470,427, which was held to the credit of the Joint Administrators’ bank account at the end of the Administration, was transferred to the Joint Liquidators’ bank account.

- (e) Details of progress during the period and summary account of Receipts and Payments under review...Cont.

1.2 Book Debts/Inter-Company debts

Blippar Singapore PTE Limited ("BSPL")

Creditors will recall that BSPL had been placed into Members' Voluntary Liquidation in that jurisdiction with Don Ho Associates being appointed in the role as Liquidator. At the time of the end of Administration, the Liquidator was in the process of obtaining tax clearance and arranging final meetings.

Following further monitoring of the situation on my part, I was informed that tax clearance was obtained in February 2020 and final meetings were due to be held on 12 March 2020. I was required to complete some further documentation and ultimately a distribution of the surplus funds in the sum of S\$73,888 (converted to £42,825) was made on 24 March 2020.

Blippar LLC ("LLC")

It will be recalled that LLC had entered into Chapter 7 proceedings in the Southern District of New York and Gregory Messer had been appointed as Trustee. A claim was submitted in the US proceedings in the sum of £25,906,813, which remained ongoing in that jurisdiction at the time of the end of the Administration.

At the end of January 2020, I was notified by Counsel to the Trustee that there were funds totalling circa US\$60,000 to distribute to unsecured creditors. However, they advised that the Company's claim could potentially be re-characterised and subordinated as an equity investment given the relationship between the two parties (LLC was the subsidiary of the Company). In that regard, it may not be entitled to a distribution alongside the other third party unsecured creditors. Having reviewed the Company's records, this was refuted by me in my capacity as Joint Liquidator given the manner in which the funds were lent to the LLC and lengthy negotiations ensued in order to resolve the situation. After protracted discussions, it was mutually agreed that any distribution to the Company would be capped at US\$30,000, with the balance of US\$30,000 being distributed to the third party creditors. A formal agreement was signed by both parties to that effect on 26 February 2020.

In order to finalise the matter, Counsel for the Trustee advised that this also needed to be approved by the US Bankruptcy Courts and in that regard, a Motion was subsequently approved on 31 March 2020.

The final waterfall for distribution of funds between the different categories of debts took a further 3 months to finalise and the sum of US\$30,000 was finally remitted to the UK Estate by way of cheque on 15 July 2020. The cheque took almost two months to clear and equated to £22,779.

Debtors

Whilst I have continued to review the position regarding the remaining third party debtors, no further funds have been or are anticipated to be recovered.

(e) Details of progress during the period and summary account of Receipts and Payments under review...Cont.

1.3 VAT Refunds

The sum of £26,231, which was due in recoverable VAT at the end of the Administration, was remitted to the Liquidation Estate following the submission of the relevant forms to HMRC.

In addition, it should be noted that an element of the input VAT was recoverable in respect of the part drawdown of the rent deposit by the Landlord in respect of the former premises in London Bridge. After an extensive review of the documentation to hand and entering into correspondence with the Landlord with a view to obtaining the relevant invoices, I was able to secure a refund in the sum of £46,177 for the benefit of the creditors of the Liquidation Estate.

1.4 Refund /Recovery

A refund of £110 was secured in respect of a credit on the account in relation to matters pertaining to the former premises in London Bridge.

1.5 Bank Interest Gross

The funds in hand are held in an interest bearing account with a High Street Bank in the Office Holders' names as Joint Liquidators of the Company.

Interest earned on the funds in hand amounts to £890 during the course of the Liquidation. The account has now been moved to non-interest bearing and no further interest will accrue.

2. Payments

2.1 Specific Bond

The Specific Bond is the cost of the insurance, based on the level of realisations by the Joint Liquidators as required by the Insolvency Practitioners Regulations 2005.

2.2 Statutory Advertising

This represents the costs for the publishing of statutory advertising in the London Gazette in respect of the notice of the appointment as Joint Liquidators and the Notice of Intended Dividend to unsecured creditors.

2.3 Professional Fees

The sum of £1,155 was paid to ERA Solutions Limited ("ERA") for the services provided in assisting with the calculation and agreement of the preferential claims on behalf of the Joint Liquidators. This also includes services provided in making the RTI submission to HMRC in respect of tax deductions on the dividend payments.

(e) **Details of progress during the period and summary account of Receipts and Payments under review...Cont.**

The sum of £1,200 was also paid to ERA for the services provided in assisting with the calculation and agreement of the employee unsecured claims on behalf of the Joint Liquidators.

There will also be an additional fee payable in making the RTI submission to HMRC in respect of tax deductions on the dividend payments. This has been estimated at £300 plus VAT.

ERA specialise in such services and were instructed on a fixed fee basis in this regard.

2.4 Former Joint Administrators' Remuneration

As detailed in the Joint Administrators' Final Report, the sum of £78,111 plus VAT remained outstanding in respect of the Joint Administrators' fees. This sum has subsequently been drawn during the Liquidation process.

2.5 Joint Liquidators' Remuneration

The sum of £30,000 has been drawn to date on account of my outstanding costs. This is detailed further in the section below.

2.6 Other Disbursements

The following disbursements remain outstanding

	<u>£</u>
Storage Costs (est)	1,820
Professional Fees, ERA (est)	300
Corporation Tax (est)	169

Storage Costs

My firm uses a commercial archiving company for storage facilities for the Company's records and papers. There are 14 boxes currently in storage. This is recharged at the rate of £10 per box per quarter and includes a small charge to cover the administration costs of archiving and retrieval of documents. I am also required to keep my working papers for 6 years from the conclusion of the Liquidation. I have estimated that these costs will equate to £1,820 plus VAT to cover the stipulated periods of storage.

Corporation Tax

Corporation Tax is payable on chargeable receipts such as bank interest. The sum of £169 has been estimated in that regard.

(f) **Joint Liquidators' Remuneration and Expenses**

1. Basis of Remuneration

Following a Decision by Correspondence on 5 December 2019, a resolution was passed approving that the basis of the remuneration of the Joint Liquidators be fixed by reference to the time properly spent by our staff and ourselves in attending to matters arising in the winding-up in accordance with the fees estimate provided to creditors in advance of the decision process. In addition, by virtue of a subsequent Decision by Correspondence on 20 August 2020, a resolution was passed, which increased the level of the agreed fees estimate.

In accordance with the provisions of Statement of Insolvency Practice 9 ("SIP 9"), a schedule of my firm's charge-out rates was issued to creditors at the time the basis of the Liquidator's remuneration was approved. There has not been any material increase in the rates during this appointment. Our current hourly chargeout rates exclusive of VAT, which are charged in units of 6 minutes, are as follows:-

	£
Senior / Managing Partners	550
Partners/Office holders	495
Managers / Senior Managers	350 - 395
Senior Administrators	220 - 295
Administrators	160 - 200
Cashiers and Assistants	150 - 295
Supports	120 - 150

Chargeout rates are normally reviewed annually in November, when rates are adjusted to reflect such matters as inflation, increases in direct wage costs, and changes to indirect costs such as Professional Indemnity Insurance.

2. Staff allocation and the use of Subcontractors

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case. The constitution of the case team will usually consist of a Partner, Manager, Senior Administrator and two Administrators. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment, and additional staff may be allocated to meet the demands of the case.

We have not utilised the services of any subcontractors in this case.

3. Joint Liquidators' Remuneration

My time costs for the year under review are £89,893. This represents 303 hours and 30 minutes at an average rate of £296 per hour. I attach, as Appendix B, a Time Analysis which provides details of the activity during the year, analysed by staff grade.

(f) Joint Liquidators' Remuneration and Expenses...Cont.

I initially provided creditors with a fee estimate of £50,275 for the Liquidation, which was subsequently increased to £105,518. Whilst the time costs incurred to-date are within the budget, it may be the case that the level of time incurred to closure will exceed this level. However, I do not intend to revert back to creditors to increase the level of the fees estimate at this juncture.

To view an explanatory note concerning Liquidators' remuneration issued by the Joint Insolvency Committee, please visit the Publications folder on our website at www.drpartners.com/cases, using the following log-on details:

USERNAME: B515@drco.co.uk

PASSWORD: 515Bas*!

Alternatively, please contact this office to arrange for a copy to be sent to you.

Included in the work undertaken by myself and my staff is, inter alia, the following:-

- i) Dealing with ongoing creditors' enquiries, both by correspondence and by telephone, and noting their claims.
- ii) Transferring the Joint Administrators' bond to the Joint Liquidators, as required by the Insolvency Practitioners Regulations 2005.
- iii) Filing the appropriate documents relating to the Liquidation at Companies House.
- iv) Publishing the necessary statutory advertisement in respect of the Liquidation proceedings in the London Gazette.
- v) Preparing the relevant notices to creditors and dealing with the Decision Procedure in respect of the fee approval at the start of the case.
- vi) Changing the names on the designated bank account from Administration to Liquidation.
- vii) Dealing with ongoing enquiries from Shareholders.
- viii) Instructing ERA to deal with the agreement of the preferential claims. Arranging for the distribution to preferential creditors of 100p in the £ and issuing cheques in respect of those claims to the individual employees and the Redundancy Payments Service. Calculating the relevant deductions for Income Tax and NI contributions and paying across those funds to HMRC. Subsequently monitoring the encashment of the cheques and arranging for bank transfers to certain employees who had not received the cheques.
- ix) Reviewing the position regarding the Company's subsidiaries and inter-company balances and dealing with all matters pertaining to the same including the receipt of dividends from BSPL and LLC.
- x) Continuing to assess the collectability of the Company's sales ledger and entering into correspondence regarding the potential recovery of each debt.

(f) **Joint Liquidators' Remuneration and Expenses...Cont.**

- xi) Undertaking a detailed review of the unsecured creditor claims with a view to adjudicating for the purposes of an unsecured dividend and entering into correspondence with all of those creditors. Issuing a Notice of Intended Dividend and subsequently arranging for a dividend to be paid.
- xii) Instructing ERA to deal with the agreement of the employee unsecured claims.
- xiii) Securing the VAT refunds for the benefit of the Liquidation Estate.
- xiv) Reviewing the position regarding the time expended and formulating a Progress Report to creditors at the end of July 2020.
- xv) Undertaking case and bond reviews on a quarterly basis.
- xvi) Sundry and administrative duties.

4. **Joint Liquidators' Expenses**

Expenses incurred in the Liquidation are explained at (e) above in my comments on the Receipts and Payments Account.

5. **Creditors' Rights – Rule 18.9 and Rule 18.34**

- i) Within 21 days of the receipt of this report, a Secured Creditor, or an Unsecured Creditor (with the concurrence of at least 5% in value of the Unsecured Creditors), may request, in writing, that the Joint Liquidators provide further information about their remuneration or expenses, which have been itemised in this progress report.
- ii) Any Secured Creditor, or an Unsecured Creditor (with the concurrence of at least 10% in value of the Unsecured Creditors), may, within 8 weeks of receipt of this progress report, make an application to Court on the grounds that the basis fixed for the Joint Liquidators' remuneration, the remuneration charged or the expenses incurred by the Joint Liquidators, as set out in this progress report, are excessive.

(g) **Creditors and Distributions**

(i) (a) **Secured Creditors**

There are no Secured Creditors in respect of this case.

(b) **Prescribed Part**

The prescribed part does not apply in respect of this case.

(g) Creditors and Distributions...Cont.

(ii) Preferential Creditors

It will be recalled that there were preferential claims for those employees, who were owed unpaid wages and holiday pay. Under the provisions of Schedule 6 of the Act, any amounts outstanding to employees in respect of unpaid wages (up to a maximum of £800), outstanding annual leave entitlements and any unpaid pension contributions are afforded priority over the claims of floating charge creditors and ordinary unsecured creditors. It was also made clear that it was likely that a significant element of the preferential claim will be claims, which are subrogated to the Secretary of State, following payment to the employees by the Redundancy Payments Service ("RPS").

Given that there were sufficient funds to enable preferential creditors to be paid in full, I instructed ERA, specialists in dealing with employee claims in insolvency scenarios, to assist with the calculation and agreement of those claims. Having reviewed the matter, ERA wrote to all preferential creditors on 5 December 2019 outlining the quantum of their claims and giving them 21 days to respond. ERA also wrote to those employees with nil preferential claims setting out the position to them and dealt with any responses received from the employees with the assistance of the Joint Liquidators.

Following the expiry of the stipulated time period, the dividend payments were calculated and cheques were issued to 45 employees totalling £48,326 on 9 January 2020. It should be noted that this sum was net of deductions for income tax/NI totalling £20,905, which was paid across to HMRC. The dividend paid to the RPS equated to £32,614.

It should be noted that a number of employees did not cash their cheques and, as a result, I wrote to those individuals by email asking them if the letters had been received and/or whether the funds could be transferred to them instead. This took some time to deal with but eventually all dividends were paid across to the relevant employees.

(iii) Unsecured Creditors and Notice of Intended Dividend

As funds were expected to become available for Unsecured Creditors, I requested creditors submit their claims so that they could be adjudicated. I initially reviewed the position in mid-March 2020 and wrote to those creditors, which had not submitted a claim, or had not provided sufficient supporting documentation, requesting that they do so by a stipulated time period. I also wrote to those where there was a query over the validity of the debt. However, due to the onset of the Covid-19 pandemic, this adjudication process was delayed as it was deemed inappropriate to deal with the agreement or rejection of claims at a time when some entities were not operational. This process was recommenced in August 2020.

It will be recalled that records of the Company at 17 December 2018 indicated that there were 60 unsecured creditors with a total value of £2,080,544.

(g) Creditors and Distributions...Cont.

A Notice of Intended Dividend was issued on 1 September 2020 indicating that the last date for proving debts against the Company would be 25 September 2020 and it was my intention to declare a dividend to creditors within 2 months of that date, i.e 25 November 2020. This was published in the London Gazette on 3 September 2020.

An extensive amount of time was spent in dealing with the adjudication of claims in terms of correspondence with certain creditors. Certain claims from creditors were either withdrawn or rejected in full/in part and those creditors were notified accordingly in accordance with the terms of the Insolvency Act and Rules.

Simultaneously, I instructed ERA to assist with the calculation and agreement of the employees' unsecured claims. Having reviewed the matter, ERA wrote to all employees with unsecured claims on 26 August 2020 outlining the quantum of their claims and giving them a stipulated time period to respond if they disagreed.

Ultimately, the claims of 41 creditors with a total value of £2,523,817, were agreed (this included a claim from the RPS in the sum of £95,011). In addition, the claims from 45 employees with a total value of £312,001 were agreed. In that regard, total agreed claims were £2,835,818.

As creditors will be aware, shortly after the period covering this Report, a first and final unsecured dividend of 11.24p in the £ was paid to the agreed creditors.

(h) Details of what remains to be done

All assets have now been realised and an unsecured dividend was paid shortly after the period covered by this Report. The position regarding the encashment of dividend cheques will need to be monitored over the coming months and I will look to review the case for closure thereafter.

(i) Other information of relevance to Creditors:

Investigations

No additional investigations were required in the Liquidation following those undertaken during the Administration process.

(j) Next Report

I am required to provide a further report on the progress of the Liquidation within two months of the end of the next anniversary of the Liquidation, unless I have concluded matters prior to that, in which case I will write to all creditors with my Final Account, which will conclude my administration of the Liquidation.

(j) **Next report...Cont.**

I trust you will find this report adequate for your purposes but should you require any further information, please do not hesitate to contact in the first instance either my Senior Manager, Adam Shama, or his team at as-team@drpartners.com.

PAUL APPLETON – JOINT LIQUIDATOR

DATE: 1 DECEMBER 2020

07446749 LTD FORMERLY BLIPPAR.COM LIMITED(In Liquidation)Joint Liquidators' Abstract of Receipts & PaymentsFor the Period 12 November 2019 to 11 November 2020

	<u>Realised</u> <u>to y/e 11 Nov 20</u> £
<u>Receipts</u>	
Cash at Bank re Administration	470,426.90
Book Debts/Inter-Company Debts	65,604.16
VAT Refunds	72,407.59
Refund/Recovery	110.42
Bank Interest Gross	890.15
	<u>609,439.22</u>
<u>Payments</u>	
Specific Bond	296.40
Statutory Advertising	269.46
Professional Fees	2,355.00
Former Joint Administrators' Fees	78,111.00
Joint Liquidators' Fees	30,000.00
	<u>111,031.86</u>
<u>Distributions</u>	
Preferential Creditors (100p in £ - January 2020)	<u>101,844.51</u>
Receipts less Payments and Distributions	<u><u>396,562.85</u></u>
Represented by:-	
Balance in Current Account	396,303.95
VAT Receivable	258.90
	<u><u>396,562.85</u></u>

07446749 LTD FORMERLY BLIPPAR.COM LTD - IN CREDITORS VOLUNTARY LIQUIDATION

JOINT LIQUIDATORS' TIME COSTS							
FOR THE PERIOD 12 NOVEMBER 2019 TO 11 NOVEMBER 2020							
SIP 9 TIME SUMMARY							
Classification of work function	Hours					Total Cost £	Average hourly rate £
	Partners	Manager / Senior Manager	Admin / Senior Admin	Cashiers	Total hours		
Statutory compliance, admin and planning							
IPS set up & maintenance	00:00	00:00	02:12	00:00	02:12	352.00	160.00
Statutory filings,circulars, notices, etc.	01:00	00:54	13:24	00:00	15:18	3,085.50	201.67
Case planning, strategy & control	01:00	00:54	03:24	00:00	05:18	1,641.50	309.72
Taxation: PAYE, C/Tax & VAT	00:00	01:36	05:30	00:00	07:06	1,512.00	212.96
Accounting & Cashiering	00:00	00:00	00:00	10:24	10:24	2,134.00	205.19
Case reviews & Diary maintenance	00:00	07:24	09:00	00:00	16:24	4,487.50	273.63
Statutory reporting and compliance	00:00	11:42	05:42	00:00	17:24	5,629.50	323.53
Shareholders' enquiries & distributions	00:00	03:18	00:00	00:00	03:18	1,303.50	395.00
Investigations							
Antecedant transactions & wrongful trading	00:00	00:48	00:00	00:00	00:48	316.00	395.00
Realisation of assets							
Freehold & leasehold properties	00:00	00:18	00:00	00:00	00:18	118.50	395.00
Book debts collection	06:00	07:18	16:42	00:00	30:00	9,041.50	301.38
Tangible assets	01:00	00:48	00:00	00:00	01:48	866.00	481.11
Creditors							
Unsec'd Creditors: correspondence & claims	25:00	29:30	82:06	00:00	136:36	39,077.00	286.07
Preferential creditors & employees	18:00	18:00	20:36	00:00	56:36	20,328.50	359.16
Total hours and costs	52:00	82:30	158:36	10:24	303:30	89,893.00	296.19